



## **ADDENDUM #3**

### **RFP-2022-DEHS-01-STATE**

### **State Disbursement Unit (SDU) Services**

(Changes to RFP 2022-DEHS-01-STATE are in **bold, underlined and italicized** text in order to enable vendors to quickly recognize changes in paragraphs and/or wording.)

On April 8, 2021, the New Hampshire Department of Health and Human Services published a Request for State Disbursement Unit (SDU) Services, soliciting proposals for the provision of State Disbursement Unit (SDU) and Electronic Funds Transfer Services (EFT) that include:

- The management and administration of child support billing to payors;
- The management and administration of child support billing to employers;
- The posting of child support payments received;
- The disbursement of Bureau of Child Support Services (BCSS) authorized monies to child support payees;
- The imaging and transmission of all payment information to the Department;
- Associated banking services and check writing; and
- All related services.

The Department is publishing this addendum to:

**1. Modify Section 3, Statement of Work, Subsection 3.3, Paragraph 3.3.6, Subparagraph 3.3.6.3 to read:**

3.3.6.3 The selected Vendor must accept and deposit payments denominated in **all legal** foreign **currencies**. Upon receiving payments denominated in **all legal** foreign currency, the SDU must immediately initiate conversion to United State dollars. The date that the payment, once converted to United States dollars, is received by the SDU is the date of receipt.

**2. Modify Section 3 Statement of Work, Subsection 3.3, Paragraph 3.3.6, Subparagraph 3.3.6.12 to read:**

3.3.6 The Department will load validation data into the selected Vendor's cross-reference database to enable the selected Vendor's SDU staff to access the data for research purposes. **See Attachment #1 EFT Lockbox File Layout.**

**3. Modify Section 3 Statement of Work, Subsection 3.3, Paragraph 3.3.7, Subparagraph 3.3.7.1 to read:**

3.3.7.1 The selected Vendor will be responsible for correctly analyzing, classifying, recording and posting all payments. Incorrectly recorded or



posted payments can result in incorrect distribution of payments. The selected Vendor will be held liable for these errors, pursuant to the process described in Subparagraph 4.1.2.6.

4. **Modify Section 3 Statement of Work, Subsection 3.5 by deleting Subparagraphs 3.5.1.1 through 3.5.1.4 and replacing them with Paragraph 3.5.1 to read as follows:**

**3.5.1**     *The selected Vendor must arrange for and provide, accept, and process EFT/EDI transactions for the collection and disbursement of child support payments. The selected Vendor must offer payors and/or employers low-cost electronic payment channels which may include, but are not limited to:*

**3.5.1.1**    *Debit Cards.*

**3.5.1.2**    *On-line Processing.*

**3.5.1.3**    *Mobile applications via mobile devices.*

5. **Modify Q13 to read:**

**Q13**    Provide your proposed plan to meet or exceed the requirements in 3.8.

6. **Modify Section 3 Statement of Work, Subsection 3.11 Data Transfer, Subsection 3.11.1 From Contractor to BCSS, Paragraph 3.11.1.1 to read:**

3.11.1.1    The selected Vendor must transmit keyed information and the EFT receipt files on the date of processing to the Department. The selected Vendor must ensure the BCSS receives both the transmission for keyed information and the EFT receipt file no later than 6:00 PM (EST).

**See Attachment #2 for file format layout.**

7. **Modify Section 3 Statement of Work, Subsection 3.14, Paragraph 3.14.6 to read:**

3.14.6     Statements on Standards for Attestation Engagements (SSAE 18)

3.14.6.1     The selected Vendor must comply with the requirements regarding SSAE 18 contained in Appendix K, Statement on Standards for Attestation Engagements (SSAE 18).

8. **Modify Section 4 Finance, Subsection 4.1, Paragraph 4.1.2, Subparagraph 4.1.2.1 to read:**

The selected Vendor must provide services under the resulting contract based on all-inclusive fixed price per transaction and/or prices for all other services and products offered by the selected Vendor and must be presented in the form of a proposed Appendix D, Price Schedule. The price of an annual SSAE No. 18 Audit and the total price of the audits during the term of the resulting contract must be identified as a separate line item in the Price Schedule. The final Price



Schedule, incorporated into the resulting contract, is subject to Department approval.

9. Delete and replace Section 6, Proposal Process, Paragraph 6.2, Procurement Timetable, with the following:

**6.2 Procurement Timetable**

<b><u>Procurement Timetable</u></b>		
<b>(All times are according to Eastern Time. DHHS reserves the right to modify these dates at its sole discretion.)</b>		
<b>Item</b>	<b>Action</b>	<b>Date</b>
1.	Release RFP	April 8, 2021
2.	Optional Letter of Intent Submission Deadline	April 16, 2021
3.	RFP Questions Submission Deadline	April 26, 2021 2:00 PM
4.	DHHS Response to Questions Published	<b><u>May 28, 2021</u></b>
5.	Proposal Submission Deadline	<b><u>July 6, 2021</u></b> <b><u>11:59 PM</u></b>

10. Modify Section 7 Proposal Outline and Requirements, Subsection 7.2 Outline and Detail, Paragraph 7.2.11 Required Attachments, Subparagraph 7.2.11.1 to read:

7.2.11.1 The following are required statements that must be included with the Technical Proposal. The Proposer must complete the correlating forms found in the RFP Appendices and submit them as the "Required Attachments" section of the Technical Proposal.

7.2.11.1.1. Appendix C, CLAS Requirements.

**7.2.11.1.2 Appendix E, Program Staff List.**

**7.2.11.1.3 Appendix G, SDU Information Technology Provisions Statement of Work**

**7.2.11.1.4 Appendix H, Technical Requirements**

**7.2.11.1.5 Appendix L, Corrective Action/Liquidated Damages Disclosure.**

11. Modify Section 7 Proposal Outline and Requirements, Subsection 7.2 Outline and Detail, Paragraph 7.2.11 Required Attachments, Subparagraph 7.2.11.2 to read:



7.2.11.2. The following are required statements that must be included with the Cost Proposal. The Proposer must complete the correlating forms found in the RFP Appendices and submit them as the "Required Attachments" section of the Cost Proposal.

7.2.11.2.1. Audited financial statements identified in Paragraph **3.18.5.**

7.2.11.2.2. Appendix B, Contract Monitoring Provisions.

7.2.11.2.3. Appendix D, Price Schedule.

**12. Modify Appendix A, Exhibit A Revisions to Standard Agreement Provisions, Section 1.5, to modify Section 9 Termination, Subsection 9.1 to read:**

9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part. In the event of such termination, the Contractor shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. The State shall be liable for cost of all Services and Deliverables for which Acceptance has been given by the State, provided through the date of termination but will not be liable for any costs for incomplete Services or winding down the Contract activities. The Contractor shall not be paid for any work performed or costs incurred which reasonably could have been avoided.

**The Contractor shall be paid through the date of such suspension.**

**13. Modify Appendix A, Exhibit A Revisions to Standard Agreement Provisions, Section 1.5, to modify Section 9 Termination, Subsection 9.2, Paragraph 9.2.1 to read:**

Upon termination of the Contract, the State, in addition to any other rights provided in the Contract, may require Contractor to deliver to the State any property, including without limitation, Software and Written Deliverables, for such part of the Contract as has been terminated, **but excluding Contractor's pre-existing proprietary software and associated documentation. The State shall not have any residual rights to such property beyond this contract.**

**14. Modify Appendix A, Exhibit A Revisions to Standard Agreement Provisions, Section 1.5, to modify Section 9 Termination, Subsection 9.2, Paragraph 9.2.2, Subparagraph 9.2.2.3 to read:**

9.2.2.3 Take such action as the State directs, or as necessary to preserve and protect the property related to the Contract which is in the possession of Contractor and in which the State has an interest, **but excluding Contractor's pre-existing proprietary software. The State shall not have any residual rights to such property beyond this contract.**



**15. Modify Appendix A, Exhibit A Revisions to Standard Agreement Provisions, Section 1.5, to modify Section 9 Termination, Subsection 9.2, Paragraph 9.2.2, Subparagraph 9.2.2.5 to read:**

9.2.2.5 Transfer title to the State and deliver in the manner, at the times, and to the extent directed by the State, any property which is required to be furnished to the State and which has been accepted or requested by the State, **excluding Contractor's pre-existing proprietary software. The State shall not have any residual rights to such property beyond this contract.**

**16. Modify Appendix A, Exhibit A Revisions to Standard Agreement Provisions, Section 1.5, to modify Section 9 Termination, Subsection 9.2, Paragraph 9.2.3 to read:**

9.2.3 **Reserved.**

**17. Modify Appendix D Price Schedule with Attachment #3 - Appendix D – Addendum #3, Price Schedule.**

**18. Modify Appendix G SDU Information Technology Provisions Statement of Work, Section 3, Subsection 3.1 to read:**

**3.13.1. Transition Work Plan**

In the event that the State must transition operations to a new service provider, a Transition Phase will be required to establish the State as a new customer and implement the Technology Solution and operational procedures. Vendor shall submit a preliminary Work Plan in their Proposals. The Work Plan shall include, without limitation, a detailed description of the Schedule, tasks, Deliverables, major milestones, **and task dependencies**. A final Work Plan may be incorporated into the resultant contract, at the State's discretion, prior to Governor and Executive Council approval, or at minimum, may be due five (5) business days after Contract award upon approval by Governor and Executive Council.

The Vendor shall update the Work Plan as necessary but no less than every two weeks to accurately reflect the status of the Project, including without limitation, the Schedule, tasks, Deliverables, major milestones, task dependencies, and payment schedule. Any updates to the Work Plan shall require the written approval of the State prior to final incorporation into the Contract.

Unless otherwise agreed in writing by the State, changes to the Work Plan shall not relieve the Vendor from liability to the State for any damages resulting from the Vendor's failure to perform its obligations under the Contract, including without limitation, performance in accordance with the Schedule.

In the event of a delay in the Schedule, the Vendor must immediately notify the State in writing. The written notification will identify the nature of the delay, i.e., specific actions or inactions of the Vendor or State causing the problem; its



estimated duration period to reconciliation; specific actions that need to be taken to correct the problem; and the expected Schedule affect the Project.

In the event the Vendor requires additional time to correct Deficiencies, the Schedule shall not change unless previously agreed in writing by the State, except that the Schedule shall automatically extend on a day-to-day basis to the extent that the delay does not result from Vendor's failure to fulfill its obligations under the Contract. To the extent that the State's execution of its major tasks takes longer than described in the Work Plan, the Schedule shall automatically extend on a day-to-day basis.

Notwithstanding anything to the contrary, the State shall have the option to terminate the Contract for default, at its discretion, if it is dissatisfied with the Vendor's Work Plan or elements within the Work Plan.

**19. Modify Appendix G SDU Information Technology Provisions Statement of Work, Section 4 General Terms, Subsection 4.6 End of Contract Transition Plan to read:**

- 4.6 As noted previously, the Contract **will be effective for ten (10) years** and may be extended for up to an additional five (5) years, contingent upon satisfactory performance by the Vendor, supporting funding, and Governor and Executive Council approval. The Vendor must explain how it plans to handle the transition to a new vendor.
  - 4.6.1. The State will inform the Vendor thirty (30) calendar days in advance of the routine termination of the Contract. The Vendor agrees to participate in an orderly transition.
  - 4.6.2. All data in the SDU Database is the property of the State of New Hampshire. The Vendor will transfer to the State all data contained in the SDU database and all records related to functions performed and payments processed during the term of their Contract. The current Vendor will supply the State with the images of all financial instruments received and processed during the term of their Contract. The State will make this information available to the new vendor.
  - 4.6.3. If a contract extension for up to six months is needed to affect an orderly transition, the Vendor must agree to do so. The terms and conditions of the Contract then in place shall prevail during this extension period.
  - 4.6.4. The new vendor will have no responsibility for any unidentified payments posted by the previous contractor.
  - 4.6.5. The SDU Vendor shall supply the following items to the State, except where the NH SDU Vendor does not have the right to transfer such items to a third party:





- 4.6.5.1. The NH SDU database, including the structure, all data models, data dictionaries, drawings, graphic representations, specifications and file formats within the NH SDU System, including all hardware and software required to operate the NH SDU System.
- 4.6.5.2. NH SDU network configuration diagrams, maintenance logs, and security provisions.
- 4.6.6. Below we describe those end-of-contract transfer provisions that are required regardless of which course of action is chosen by the State.
  - 4.6.6.1. In those instances where the Vendor does not have the right to transfer hardware or software to the State, the Vendor shall provide the State with the name and version of the software necessary to make the Vendor's technical solution fully functional.
  - 4.6.6.2. The Vendor shall supply to the State, on the next day following termination of services under this Contract, all data and information stored in the SDU database and in all other Vendor databases and information systems (including backup copies in any medium located at the SDU site and in off-site storage). The format and medium in which the data and information are supplied shall be specified by the State.

**20. Modify Appendix G SDU Information Technology Provisions Statement of Work, Section 5 Narrative Topics for Mandatory Narrative Responses, Subsection 5.2 Transition Topics, Paragraph 5.2.3 Topic 7 – Business Continuity to read:**

**5.2.3. Topic 7 – Business Continuity**

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**Provide a detailed description of your business continuity plan that mitigates risk to the State.**

- 5.2.3.1. Vendors are asked to provide information on their business continuity plan in the event that their hosting site becomes unavailable.
- 5.2.3.2. Discuss necessary planning for moving operations to a remote site if the hosting site is incapacitated.
- 5.2.3.3. What is the recovery time objective and how will your company continue to meet federally required response metrics?



5.2.3.4. The State believes that additional software license fees solely related to redundancy for assurance of business continuity would be inappropriate. If the Proposal differs from this standard, describe and provide rationale for the difference.

**5.2.3.5. Vendors shall provide software licenses as applicable in accordance with Section 4 General Terms, Subsection 4.1 Licenses.**

**21. Modify Appendix J Required Data Elements for Payment Processing by replacing it in its entirety with Attachment 6 – Appendix J Addendum #3, Required Data Elements for Payment Processing.**

**22. Modify Appendix K Statement on Standards for Attestation Engagements (SSAE 16) by replacing it in its entirety with Attachment 5 – Appendix K Addendum #3, Statement on Standards for Attestation Engagements (SSAE 18).**